

Washington, DC - Congressman John Adler, joined Reps. Barney Frank (D-MA) and Walter Jones (R-NC), today in sending a letter to the National Oceanic Atmospheric Agency (NOAA) urging the agency to fix burdensome compensation issues for scallop fishermen. Under normal circumstances, the fishermen pay out-of-pocket for a federally mandated "observer" on their vessel, and are compensated through a resource set-aside of extra days at sea or extra harvest. This year, NOAA miscalculated the set-aside amount, and New Jersey scallop fishermen are now forced to pay for observer coverage out of their own pockets through February 2010.

Congressman Adler today asked the National Marine Fisheries Service (NMFS), part of NOAA, to take action to fund the observer program until proper compensation can once again be ensured for scallop vessels and their crews.

"This is crazy. Our local fishermen are paying a huge price for a bureaucratic error," Congressman Adler said. "We need to act quickly to fix this problem, and restore fair compensation for scallop fishermen."

"They got their numbers wrong," said Barnegat Light Mayor Kirk Larsen, a member of the Fisheries Survival Fund, and a 32 year veteran of the Barnegat Light scallop industry. "And now, if you get picked to have an observer onboard, then you're going to pay for it out of your own pocket because the set-aside money has dried up. And the amount you're going to pay for the observer isn't insignificant - \$10,000 - \$11,000 possibly, for a single fishing trip. I don't think it's fair."

In a letter to Dr. Jane Lubchenco, Undersecretary for Oceans and Atmosphere and NOAA Administrator, the lawmakers argued that during these difficult economic times this new cost is particularly burdensome for fishermen and their families. The scallop fishery is the only East Coast fishery that must pay for observer coverage in a program managed by the NMFS. Fishermen are compensated for the significant expense of carrying an observer in two ways: extra days at sea or extra harvest. These compensation measures are no longer available.

This year fishermen will bear the direct cost of carrying an observer through the end of the 2009 fishing year in open area trips. Observer coverage can cost nearly \$800 per day and an average scallop fishing expedition is around 10 days. The National Marine Fisheries Service

must take immediate and appropriate corrective action to fund this program until an appropriate set-aside management approach can ensure the proper compensation to scallop vessels and their crew.

The entire text of the letter is below.

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October 5, 2009

Dr. Jane Lubchenco
Undersecretary for Oceans and Atmosphere and NOAA Administrator
United States Department of Commerce Herbert Clark Hoover Building
1401 Constitution Avenue, N.W.
Washington, D.C. 20230

Dear Dr. Lubchenco:

Last June, I along with Congressman Jones wrote to you regarding the federally mandated observer program and the negative financial impact this program had on the Atlantic scallop industry. As you know, the scallop fishery is the only East Coast fishery that must pay for observer coverage in a program managed by the National Marine Fisheries Service. Fishermen are compensated for the significant expense of carrying an observer by awarding a vessel extra allowable catch either in the form of days at sea (DAS) or additional harvest depending on whether a vessel is fishing in open or access areas.

Because the compensation is given in the form of a resource set aside, the scallop industry is simply paying for observers out of catch they would be allowed anyhow were these regulations not in place. Therefore, the proper management of this program is critical to ensuring the

scallop industry is not shouldering an unfair burden.

Originally, we, and now the several Members of Congress listed below whom like us represent the Atlantic scallop industry, were deeply concerned that awarding additional DAS for observer coverage on an open area trip did not properly compensate the significant costs associated with this requirement. Also, the failure of NMFS to properly manage the Elephant Trunk Access Area program had already resulted in scallop vessels having to pay for observer coverage through February of 2010 without compensation. However, we collectively believe that the recent failure of the 2009 observer DAS set-aside, in which fishermen will now bear the direct cost of carrying an observer through the end of the 2009 fishing year in open area trips, highlights the need for NMFS to take immediate and appropriate corrective action both this year and to ensure that this situation does not occur in the future.

It is clear that poor communication exists between government regulators at NMFS and the Northeast Science Center which is responsible for providing the scientific stock information for the purpose of managing this program correctly. While we appreciate that compensation rates are based on anticipated fishery conditions, this program has been in place for almost nine years and there should be few surprises.

The recent breakdowns in the observer compensation program are not a failure of industry and to require fishermen to pay for this coverage without promised compensation is not an acceptable alternative and unfair. Fishing crews will be forced to cover this cost at a time when coastal regions are suffering reduced fishing opportunities and significant loss of income. As a result, fishing communities and businesses will also suffer. Therefore, we strongly urge you to take immediate, necessary action to fund this program until an appropriate set-aside management approach can ensure the proper compensation to scallop vessels and their crew.

Sincerely,

Congressman Barney Frank
Congressman Walter Jones
Congressman Robert Wittman
Congressman William Delahunt
Congressman James Langevin
Congressman John Adler

